

Capital Planning Committee

Capital Budget FY 2017

Capital Plan FY2017 - FY2021

A Presentation To
The Arlington Finance Committee
March 21, 2016



Capital Planning Committee Attendees

- Charlie Foskett
- Michael Morse
- Brian Rehrig
- Barbara Thornton
- Eve Margolis
- Sandy Pooler
- Rich Viscay

Agenda

- Committee Members
- Organization
- Program Accomplishments
- Budget Summary
- Significant Issues
- Recommended Budget and Actions

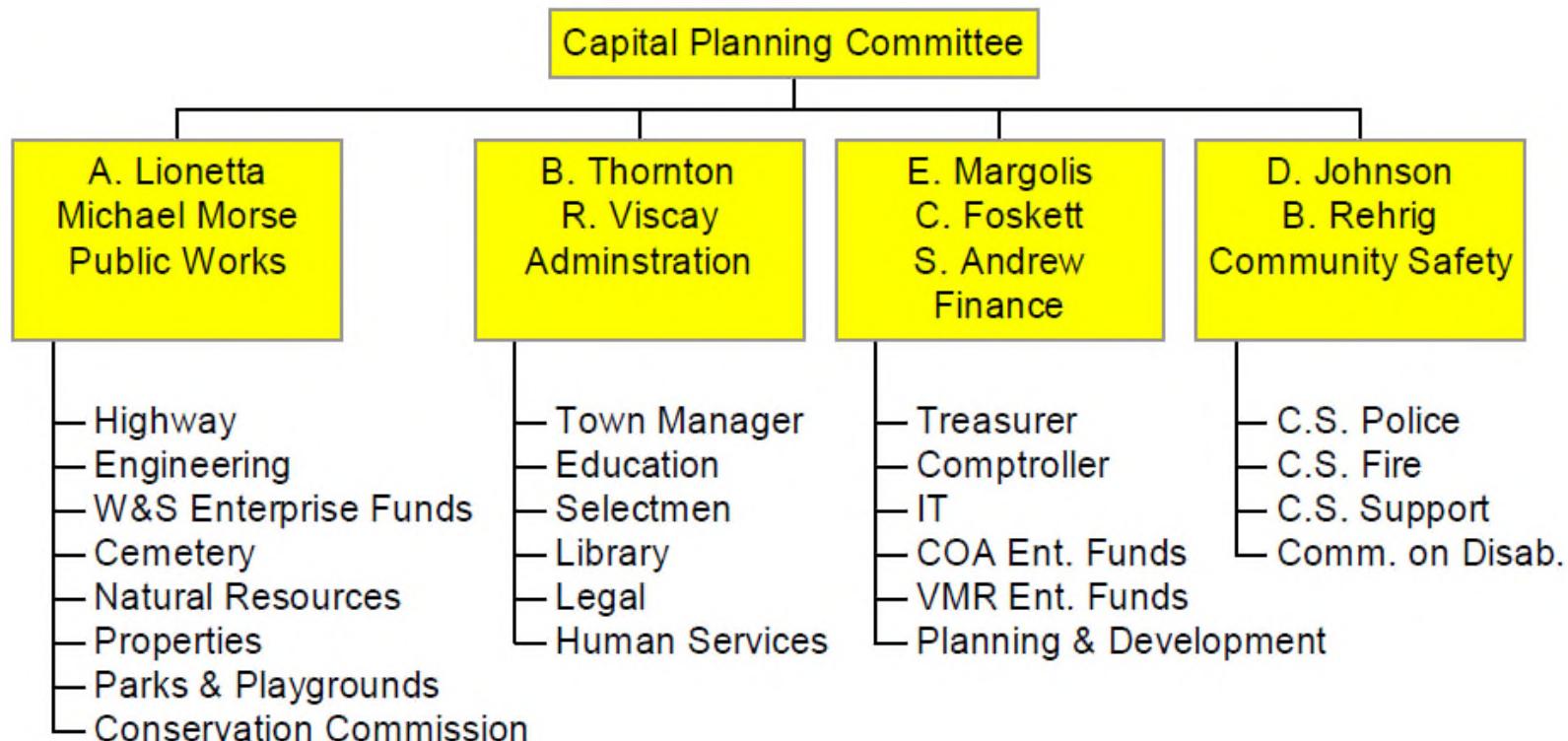
Committee Membership

- Steve Andrew - Citizen Appointee
- Charlie Foskett - Chairman, FinCom Designee
- Eve Margolis – Town Manager Designee
- Diane Johnson - School Department Designee
- Rich Viscay - Comptroller
- Anthony Lionetta – Secretary, Citizen Appointee
- Michael Morse – Treasurer Designee
- Brian Rehrig – Vice Chairman, Citizen Appointee
- Barbara Thornton - Citizen Appointee

The Capital Planning Committee welcomes Sandy Pooler, Deputy Town Manager

CF

Committee Organization 2015-2016



Discussion: Budgets and Issues

- Capital Planning
 - Rationale, policy and practice
 - Five Year Plan
- Comparisons
 - Five Year Plan versus FinCom guidelines
 - Plan “Reserves”
- Major Issues
 - School Enrollment Growth
 - High School
 - Minuteman
 - Town Yard
- Budget and Plan Detail

Why Capital Planning

- Capital Planning sets and meets long-range expectations for current and future capital expenditures.
- Capital Planning sets and meets expectations for Town executives and management, the Finance Committee, Town Meeting and citizens.
- Successful Capital Planning reduces or eliminates uncertainty in the acquisition of capital assets.
- Successful Capital Planning facilitates postponing some capital expenditures in favor of others as part of the planning process.
- Successful Capital Planning gives Town Meeting and voters comfort while spending large sums of taxpayers' money.

Arlington Capital Planning Practice

- Plan Five Years out with rolling request plan.
- Adjust non-exempt spending to within 5% of revenue budget.
- Attempt to *forecast future* budgets to effectively plan capital expenditures.
- We have twenty-nine years of *successful* capital planning, within budget.
- The requests from Town and School side are made with their knowledge of operating pressures.
- CPC strongly recommends sticking with FinCom 5% guideline policy.

Program Progress

- **Some recent realized benefits from Capital Plan Projects:**
 - Various Roadways and Sidewalks
 - Water Improvements
 - Sewer Improvements
 - Completed design and construction of Central Fire Station
 - Completed construction of Spy Pond Tennis Courts
 - Phase 1 & 2 the Community Safety Building project
 - Successful development of the Town of Arlington Master Plan
- **Capital Projects in process**
 - Ongoing Water Improvements
 - Ongoing Sewer Improvements
 - Ongoing Roadway and Sidewalk Improvements
 - Completed design of Comprehensive Gateway Initiative
 - Phase 3 of Community Safety Building project
 - Completed design and preparing to begin construction of Magnolia Park and Basketball Court
 - Completed design for Rink Electrical upgrade
 - Completed design of Stratton Elementary and will begin construction this summer
 - Planning phase complete for town wide VOIP Project

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Reconciliation to Town Five Year Plan

Year	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Total Town Budget	\$146,755,330	\$149,715,476	\$155,920,756	\$162,281,375	\$169,136,883
Adjust for Water Sewer	(\$5,593,112)	(\$5,593,112)	(\$5,593,112)	(\$5,593,112)	(\$5,593,112)
Adjust for Exempt Debt Service	(\$2,524,722)	(\$2,424,742)	(\$1,396,516)	(\$1,335,235)	(\$1,265,998)
Adjust for Enterprise Funds	(\$2,247,194)	(\$2,314,610)	(\$2,384,048)	(\$2,455,569)	(\$2,529,237)
Adjusted Total Town Budget	\$136,390,302	\$139,383,012	\$146,547,080	\$152,897,459	\$159,748,536

- As of 3/15/2016 - Five Year Plan is a dynamic document

SP

Five Year Plan and FinCom Guidelines

Fiscal Year	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Total
Prior Non-Exempt Debt	\$6,865,932	\$5,161,671	\$4,451,277	\$3,769,152	\$2,973,640	\$23,221,672
Cash	\$2,469,625	\$1,467,595	\$1,622,177	\$1,988,179	\$1,845,960	\$9,393,536
New Non-Exempt Debt Service	\$266,516	\$1,841,209	\$2,482,497	\$3,161,322	\$4,203,886	\$11,955,430
BAN interest and principal	\$0	\$10,500	\$360,500	\$10,500	\$0	\$0
Water Sewer Bonds						
Total Non-Exempt Tax Burden	\$9,602,073	\$8,480,975	\$8,916,451	\$8,929,154	\$9,023,485	\$44,570,638
Adjust for Rink Enterprise Funds	(\$92,483)	(\$89,955)	(\$118,173)	(\$114,916)	(\$62,433)	(\$477,960)
Adjust for Ambulance Revolving	(\$50,250)	(\$51,981)	(\$85,104)	(\$77,964)	(\$65,325)	(\$330,624)
Adjust for Roadway Reconstruction O/R 2011	(\$441,525)	(\$452,563)	(\$463,877)	(\$475,474)	(\$487,361)	(\$2,320,801)
Capital Carry Forward	(\$486,460)					(\$486,460)
Antennae Funds	(\$241,726)	(\$234,491)	(\$229,666)	(\$226,447)	(\$224,300)	(\$1,156,631)
Urban Renewal Fund - Central School/Jefferson Cutter/23 Maple St	(\$57,265)	(\$59,176)	(\$57,422)	(\$55,669)	(\$53,915)	(\$283,447)
Adjust for Ottoson	(\$436,717)					(\$436,717)
Adjust for 2015 and prior bond premiums	(\$771,954)	(\$589,033)	(\$552,822)	(\$516,611)	(\$260,240)	(\$2,690,660)
Adjust for 2016 encumbered debt service	(\$218,600)					(\$218,600)
Net Non-Exempt Plan	\$6,805,092	\$7,003,775	\$7,409,387	\$7,462,073	\$7,869,911	\$36,550,238
Pro Forma Budget	\$136,390,302	\$139,383,012	\$146,547,080	\$152,897,459	\$159,748,536	\$734,966,389
Budget For Plan at 5%	\$6,819,515	\$6,969,151	\$7,327,354	\$7,644,873	\$7,987,427	\$36,748,319
Plan as % of Revenues	4.99%	5.02%	5.06%	4.88%	4.93%	4.97%
Variance From Budget	\$14,423	(\$34,624)	(\$82,033)	\$182,800	\$117,516	\$198,082

Topics

- Community Safety
 - Police Community Building- on time and on budget
- Recognizing the Community Preservation Act
- Bond Premium Strategy
- Stratton School Funding and Special Town Meeting
- School Department Computers
- Planning for Building Projects
 - High School
 - Minuteman High School
 - DPW Campus Plan & Renovations
 - Civic Block (incl. Senior Center) Plan & Renovations
 - School Enrollment Growth

Community Safety Building Renovation

- Originally planned as a Five-Phase project:
 - I Plaza renovation (*completed 2011*)
 - II Building Envelope (*completed 2014*)
 - III Interview Area, Cellblock and Building Systems
 - IV Interior 2nd Floor offices
 - V Community Room and Administrative Offices
- Phases III through V consolidated to reduce mobilization costs and repeated disruption to Police personnel and operations. Budgeted at \$8,130,500
- Favorable bids allowed for inclusion of Emergency Generator and re-appropriation of \$500,000 to Stratton Rebuild
- Lobby, Reception, Cellblock, Interview and 2nd Floor Administrative Offices (left side) will be completed late March
- Remaining Administrative spaces scheduled for completion in August
- Total 8-year investment in Community Safety Building of \$12.5 million

Community Safety – Police

- Ongoing renewal of cruiser fleet in three-year cycle, and annual replacement program for LIDAR units and body armor
- Replacement of all service weapons planned in FY2019
- Tablet computers continue in study phase
- Full replacement of portable radios at recommended 12-year life cycle in FY2020. Potential implementation by that time of new federal public safety broadband network may affect standards and costs
- New K-9 officer in “basic training”, to be followed by advanced training with Boston PD

Community Safety – Fire

- Central Station completed July 2015
- Total 4-year investment of \$8 million
- Tower unit to replace 1994 ladder truck in FY2017 at \$1.2 million
- Pumper replacement scheduled for FY2018 at \$600k
- Full portable radio system replacement aligned with Police in FY2020
- Ambulance replacement cycle shortened to 6 years



Community Preservation Act

Row Labels		2017	2018	2019	2020	2021	Grand Total
HEALTH & HUMAN SERVICES		\$100,000				\$100,000	
MAJOR REPAIRS		\$100,000				\$100,000	
Repair Reflecting Pool & Town Hall Fountains		\$100,000				\$100,000	
RECREATION	\$594,974	\$907,100	\$460,000	\$686,200	\$981,900	\$3,630,174	
PARKS & PLAYGROUNDS	\$594,974	\$907,100	\$460,000	\$686,200	\$981,900	\$3,630,174	
Bishop Playground				\$278,500			\$278,500
Poets Corner					\$574,200		\$574,200
Reservoir Beach			\$460,000	\$460,000			\$920,000
Robbins Farm - Fields & Basketball Courts	\$594,974						\$594,974
Wellington Playground			\$447,100				\$447,100
Hurd Playing Field					\$407,700		\$815,400
SCHOOLS						\$500,000	\$500,000
PARKS & PLAYGROUNDS						\$500,000	\$500,000
Replace playground Hardy						\$500,000	\$500,000
Grand Total	\$594,974	\$1,007,100	\$460,000	\$686,200	\$1,481,900	\$4,230,174	

- Community Preservation Committee created by 2015 Annual Town Meeting.
- Timing of legislation and Town schedule created a foreshortened planning period for CPA Committee: Appointed in October; began meeting in November; applications for funding received in February and are currently under review.
- Community Preservation Committee will report to FinCom on its recommendations to 2016 Annual Town Meeting for FY2017 projects.
- Capital Planning has segregated eligible expenditures in funding category "CPA" for consideration by the Community Preservation Committee and remains committed to considering these projects in the capital plan if CPA funding is unavailable.
- This segregation of CPA eligible projects has facilitated financing of the Stratton School Project.
- Capital Planning Committee representative will attend CPAC meeting on March 28.

Bond Premium Strategy

- **Bond Premium defined:** One time payment to offset higher interest costs associated with borrowing
- **Town's Policy:**
 - Return funds to the General Fund for Non-Exempt Debt
 - Funds to Special Revenue Account for Exempt Debt
 - Provide Relief to Capital Plan
 - Not require an appropriation from Free Cash – maintain commitments of Long Range Plan
- **Implementation of Bond Premium Policy:**
 - Town borrows full amount needed to fund projects and equipment within Capital Budget
 - Application of "Non-Cash Offset" to bottom line of Capital Budget & Plan. Amount fixed based on total amount of bond premium
 - Plan supported by Town Manager, Comptroller, Treasurer and DOR

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Ed Burns Arena

RINK DEBT		2017	2018	2019	2020	2021
Rink debt service per debt schedule		\$ 184,967	\$ 168,550	\$ 158,550	\$ 153,550	\$ 50,100
New rink debt		\$ -	\$ 11,360	\$ 77,796	\$ 76,281	\$ 74,767
		\$ 184,967	\$ 179,910	\$ 236,346	\$ 229,831	\$ 124,867
Capital plan share per past practice	50%	\$ 92,483	\$ 89,955	\$ 118,173	\$ 114,916	\$ 62,433

- Enterprise Fund maintains commitment to offset debt service costs by at least 50%

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Town Owned Buildings

- Town owns and operates 8 buildings as rental properties
- Urban Renewal Fund – consists of 3 buildings *Current Fund Balance \$474,629.73
 - Central School – Various leases
 - 23 Maple Street - current lease expires June 30, 2020
 - Jefferson Cutter House – No lease
- Gibbs School – current leases expire June 30, 2017 *Includes Tenant Capital Contribution
- Parmenter School – current leases expire June 30, 2019 * Includes Tenant Capital Contribution
- Dallin Library – lease currently expired (beginning negotiation)
- Ryder Street – current lease in negotiation
- Mt. Gilboa House – current lease expires May 31, 2016
- All buildings projected to show positive cash flow

Town Owned Buildings Profit/Loss (With Debt)					
	FY2012	FY2013	FY2014	FY2015	FY2016 (YTD)
Urban Renewal	\$85,840.27	\$40,169.71	\$37,165.04	\$44,240.81	\$66,120.35
Gibbs School	\$24,069.55	\$15,405.73	\$34,590.09	\$71,648.64	\$49,144.67
Parmenter School	\$156,293.77	\$154,231.38	\$159,718.93	\$185,591.36	\$115,897.88
Dallin Library	\$45,116.04	\$45,116.04	\$45,116.04	\$9,336.04	\$30,077.36
Ryder Street	\$112,003.64	\$122,387.00	\$109,383.00	\$131,682.00	\$74,700.88
Mt. Gilboa	\$17,392.72	\$6,702.00	\$1,592.01	\$23,389.01	\$16,000.00
TOTAL	\$440,715.99	\$384,011.86	\$387,565.11	\$465,887.86	\$351,941.14

Planning & Community Development

- **Long Range Master Plan**
 - CPC's primary concern is that the Master Plan encourage long term fiscal stability for the Town
 - Focus on greater revenue generation in designated areas.
 - Focus on updating land use regulatory tools, including zoning code modernization that enables greater fiscal stability for the Town
- **Two New Town Entities Require Adjustments in Processes**
 - New Dept. of Facilities Maintenance
 - Newly adopted Community Preservation Act
 - Previous methods for stewarding town assets now have new resources
 - Procedures are evolving for sharing information and formalizing new, improved processes to incorporate these new resources
 - New opportunity to take a fresh look at how Arlington departments, especially Planning and Community Development, gets involved with planning and managing these new resources
 - The Planning Dept. expects to focus on management plans for maintenance where Town has already invested heavily in capital assets

Civic Block Campus Planning

- **Civic Block**, the block bounded by Maple, Academy, Mass Ave. and Pleasant St., including Town Hall, Central School, 23 Maple St., Robbins Library, Whittemore Robbins House, Carriage House, Cottage, Burial Ground and Winfield Robbins Memorial Garden, forms an important “town center” identity for Arlington
- **Need Structural Assessment of Town Assets & Analysis of Space Needs** for properties in this “campus”. List target properties; identify department with managing responsibility per property; determine capital improvement requirements per property; describe maintenance needs; identify revenue and non-revenue benefits for proposed alternative uses; develop plans for long term future uses
- **HHS Leading Space Utilization Study & Long Range Plan for Central School**
 - Senior Center: interim or permanent?
 - Fix circulation and bathroom access problems
 - Space for programs to attract younger “seniors”
 - Accommodate other potential Town, School and revenue generating opportunities
- **Resources Potentially Available** include CDBG\$, CPA\$, Mass Historic \$ and other potential state, federal and private financial resources

Facilities Maintenance Update

- **Baseline Data for Predictive Analysis and Planning**
 - Preventative Maintenance data will yield PM work orders, time frames & instructions
 - Thompson School data 75% complete, finished by 7/16 (including Capital Forecast)
 - Capital Forecast data will create Facility Condition Index (FCI) for all assets, building components
 - Data will take 2 years to load (unless outside funds found to gather and enter baseline data)
- **Significant Efficiencies Compared to Prior Year**
 - 12 months of work completed in 9 months (based on funds spent)
 - iPads issued to all maintenance staff for automating work orders and managing tasks
 - Daily checks on work order progress. Weekly reports.
 - Director reviews outstanding work orders over 2 weeks old
 - Custodians notified of special events, permits, etc. for their buildings
 - Work by outside vendors is also monitored by same work order system,
 - Knowledge of ALL work now available consistently within Facilities Maintenance

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Parks & Recreation

Review Prior Year Projects

- Spy Pond Tennis Courts → Completed
- Hibbert Street Playground → Completed
- North Union Spray Park → Completed
- Magnolia Field Project → Currently in Design, To be Bid late March, Start Construction in May



Parks & Recreation

This Year's Requests:

- **Robbins Farm** (\$595k) – CPA eligible. 3rd of 3 phases, BB/Soccer fields, abandoned Basketball Ct & Community Gardens are focus.
- **Feasibility Study** (\$35k) - Outcome of Field Summit Mtg., Perform study / reality check on the functional use of fields, Also consider "single use complex" concept (private funds)
- **ADA Implementation** (\$50k Annually)
- **Future Years:** Reservoir Beach Facilities (\$920k, FY 18/19), Hurd Field (\$815k, FY20/21), Wellington Playground (\$447k, FY18), Poets (\$574, FY21)
- **Spy Pond Bleachers** – Resolution Needed

Public Works

This Year's Requests

- Chapel Reno (\$50k, FY17) for HVAC
- Mystic St Bridge Replacement (\$250k, FY 17) Level of work TBD
- Traffic Signal Upgrades (\$50k/yr.)
- Sidewalks / Curb significant increase from \$50k to \$500k.
- Replace Snowfighter w/ more flexible Dump Truck
- Town Hall Renovations (\$100k /yr.)
- Work Crane (\$250k, FY18) → replaces 1995 crane.
- Town Yard Renovations:
 - \$1m, FY17 for design
 - \$10m FY19 for construction

Minuteman High School

- MSBA green light on \$144,500,000 project
- Now Sized for 628 Students
- Thanks to Herculean efforts of Selectman Dan Dunn, the new regional agreement has been adopted
- MSBA Reimbursement @ 40% (but exclusive of non eligible costs), net reimbursement is 30%
- Arlington - about 35% of In-District Enrollment
- Six towns will leave district
- If new building is approved, Arlington share \$1.2 million+ per year
- Without a debt exclusion, this will hit non-exempt budget
- MMSC scheduled to authorize bonds 3/15, starting 60 day window to approve or disapprove by Town Meeting

Minuteman Costs

Revenue Plan	FY20 PROJECTED	REVISED AGREEMENT	Min. Req. Contribution	Transportation	Other Operating Assessment	Debt/Capital	Total Assessments
Non-Assessment Revenue							
Chapter 70 State Aid	2,518,090	Acton	583,156	92,042	296,423	368,113	1,339,734
Transportation Reimbursement	635,907	Arlington	2,073,156	327,216	1,053,802	1,415,962	4,870,136
Non-Member Tuition	3,384,228	Belmont	502,945	79,382	255,651	372,613	1,210,591
Non-Member Capital Fee	1,440,365	Bolton	156,643	24,724	79,623	130,005	390,995
E & D Contribution	100,000	Boxborough	-	-	-	4,956	4,956
Total - Non-Assessment Revenue	8,078,590	Carlisle	-	-	-	4,956	4,956
Assessment Revenue							
Minimum Required Contribution	6,043,416	Concord	338,746	53,466	172,187	311,821	876,220
Transportation	953,860	Dover	19,820	3,128	10,075	64,579	97,602
Debt	4,380,968	Lancaster	637,907	100,684	324,253	387,349	1,450,192
Assessments over Minimum Contribution	3,071,917	Lexington	1,051,635	165,984	534,554	747,048	2,499,221
Total = Assessment Revenue	14,450,161	Lincoln	-	-	-	8,921	8,921
Total Budget	22,528,751	Needham	434,068	68,511	220,640	344,571	1,057,790
		Stow	245,340	38,723	124,708	186,372	595,144
		Sudbury	-	-	-	21,807	21,807
		Wayland	-	-	-	4,956	4,956
		Weston	-	-	-	6,939	6,939
		Total	6,043,416	953,860	3,071,917	4,380,968	14,450,161

Assumptions:

Debt Service effective FY20
Projected Enrollment
(8% annual increase District enrollment - 10/1/17 & 10/1/18)
In-District
458
Out-of-District
170
628
Inflation Rate - 2% Annually (FY18 to FY20)
For Foundation Budget, Transportation & Operating Assessment
Transportation Reimbursement = 60%

This model uses the formulas as required in the Revised Agreement and valid within the assumptions as disclosed. This is prepared in response to requested information by member towns and the assumptions used must be considered when analyzing projected future costs to each member town. Five year model used to align with expected enrollment and debt planning. Subject to change as required.

Tax Rate Impact - New School Building Project

Member Town	2014 Census		Estimated Tax Impact	Estimated Tax Impact
	Median Home Value	Projected Debt Assessment		
		Impact		
Acton	502,000	324,179	\$0.0804	\$40.34
Arlington	507,200	1,262,192	\$0.1483	\$75.19
Belmont	656,000	334,459	\$0.0507	\$33.25
Bolton	470,800	118,443	\$0.1267	\$59.66
Concord	688,300	285,229	\$0.0488	\$33.61
Dover	945,100	63,423	\$0.0268	\$25.33
Lancaster	288,400	341,102	\$0.4055	\$116.93
Lexington	710,600	665,537	\$0.0518	\$36.84
Needham	668,900	312,198	\$0.0262	\$17.50
Stow	444,700	167,874	\$0.1400	\$62.24
Total - Debt		3,874,635		\$14,000

Arlington High School

- Mass School Building Authority has recommended Arlington to move into the Eligibility Module.
- Process will officially begin with MSBA vote on May 25, 2016.
- Eligibility can last up to 270 days. Tasks during this time include:
 - A signed agreement (30 days)
 - Formation of a Building Committee, to be approved by MSBA (90 days)
 - Submitting an Educational Profile (90 days)
 - Submitting documentation about the district's maintenance practices (180 days)
 - Providing enrollment projections through an online system (90 days)
 - Local authorization of funding vote (270 days)
- At the end of Eligibility, MSBA will vote if an invitation to enter the Feasibility module should be offered.
- For more information on the process, please see:
 - <http://www.massschoolbuildings.org/building>

School Computer Acquisitions

- MCAS 2.0 testing will be required in an all digital format as of 2019. Studies show that comfort with device determines testing outcomes.
- Students need access to technology in order to prepare for the online assessments – including MCAS, ACCESS testing for English Language Learners, national World Language exams.
- 45% of assistive technology for special education students is five years or older, to be replaced in FY17.
- Thompson one to one computing replacement began this year with 1/3 of devices replaced. Another 1/3 is planned for replacement in FY17 and again in FY18.

Stratton School Initiative



Stratton is the final step in the Elementary School Rebuild Program committed to voters in 2000

- Construction scheduled to begin at close of school, June 2016
- Students will be relocated to modular classrooms on site for the duration of construction (one school year)
- Renovated Stratton building will be ready for the start of school, 2017
- Permanent Town Building Committee is overseeing this project

Financing Stratton Phase 2

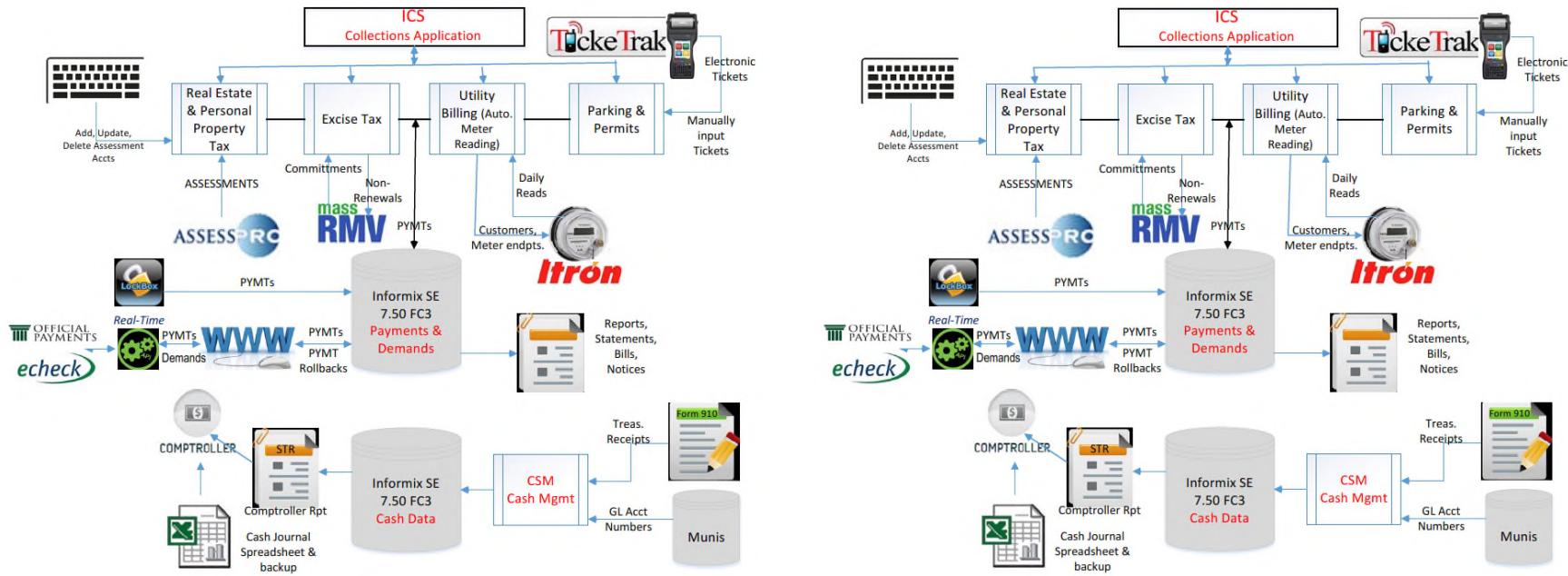
Stratton Funding Plan	
Total Project Cost	\$15,793,000
Non-exempt in 2017 Capital Plan bonding	\$6,319,206
Prior BAN	\$1,085,000
Total non-exempt Debt	\$7,404,206
Apply Capital Carryforward	1,642,000
Total non-exempt contribution	\$9,046,206
Exempt Debt Required	\$6,746,794
Asset Sale Contribution	\$1,000,000
Exempt Impact After Asset Sale	\$5,746,794

- Employ unused elementary school debt exclusion funds
- Sell underutilized Town assets
- Fund balance through the non-exempt Capital Budget
- Impact of \$6,746,794 on tax for average \$585,000 single-family home is about \$34 per year, which is reduced by the asset sale
- Although voted at the STM on 1/25/2016 the debt service impact is accounted for in the Capital Budget and Plan presented to you

Upgrading Collections, A/R and Cash Management

- FinCom provided a transfer for a consultant study
- Object to replace 21 year-old custom-built ICS system based on obsolete Informix database environment
- The 2015 ATM voted \$235,000 for the package
- This year we are requesting an additional \$200,000 based on the consultant market review and anticipated response to the Town's RFP
- Multi-vendor project includes Collections, A/R, Cash Management and object tracking, such as parking fines, etc.

ICS System to be Retired



- Notice that in all phases Informix environment is central
- Arlington essentially keeps a full time programmer and a consultant to maintain ICS
- Implementation of CPA tax has cost \$43,000 so far, forecast to rise to \$75,000

ICS Upgrade Schedule Plan

- FinCom supported consultant study is done
- Requirements completed by consultant will be released by 3/31/2016
- Installation, training in CY 2016
- System “live” but running parallel until 12/31/2017 at the latest

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Rescinding Prior Debt Votes – Town Treasurer Warrant Article

Motion: VOTED That the Town hereby rescinds **\$192,996** in the following individual amounts that have been authorized to be borrowed, but which are no longer needed for the purposes for which they were initially approved:

<u>Unissued-Remaining Amount</u>	<u>Date of Approval</u>	<u>Warrant Article</u>	<u>Statute</u>	<u>Original Purpose</u>
191,941	5/16/2011	5	7(3A) & 70B	Thompson Elementary (School)
505	5/14/2014	30	7(3A)	Community Safety Building Renovation
200	5/14/2014	30	7(28) & 7(29)	MLN Computer Project (Library)
350	4/29/2015	24	7(28) & 7(29)	Replacement Academic PC (School)

Big Issues to Ponder

- AHS Renovation/ New Construction
- Financing Minuteman Renovation/New Construction
- DPW Campus: Renovation and Renewal Planning
- Civic Block Campus Planning
- School Enrollment Growth:
 - Elementary Schools
 - Thompson
 - Hardy
 - Middle School
- Capital Budget and 5% Limit and Debt Exclusions
- Improving Sidewalks Requires Increased Funding

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Five Year Plan and FinCom Guidelines

Fiscal Year	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Total
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Adjust for Roadway Reconstruction O/R 2011	(\$441,525)	(\$452,563)	(\$463,877)	(\$475,474)	(\$487,361)	(\$2,320,801)
Capital Carry Forward	(\$486,460)					(\$486,460)
Antennae Funds	(\$241,726)	(\$234,491)	(\$229,666)	(\$226,447)	(\$224,300)	(\$1,156,631)
Urban Renewal Fund - Central School/Jefferson Cutter/23 Maple St	(\$57,265)	(\$59,176)	(\$57,422)	(\$55,669)	(\$53,915)	(\$283,447)
Adjust for Ottoson	(\$436,717)					(\$436,717)
Adjust for 2015 and prior bond premiums	(\$771,954)	(\$589,033)	(\$552,822)	(\$516,611)	(\$260,240)	(\$2,690,660)
Adjust for 2016 encumbered debt service	(\$218,600)					(\$218,600)
Net Non-Exempt Plan	\$6,805,092	\$7,003,775	\$7,409,387	\$7,462,073	\$7,869,911	\$36,550,238
Pro Forma Budget	\$136,390,302	\$139,383,012	\$146,547,080	\$152,897,459	\$159,748,536	\$734,966,389
Budget For Plan at 5%	\$6,819,515	\$6,969,151	\$7,327,354	\$7,644,873	\$7,987,427	\$36,748,319
Plan as % of Revenues	4.99%	5.02%	5.06%	4.88%	4.93%	4.97%
Variance From Budget	\$14,423	(\$34,624)	(\$82,033)	\$182,800	\$117,516	\$198,082

Recommended Vote (Updated)

- We are asking you to vote the capital expenditure budget as currently presented.

BOND	\$11,150,000
Less Stratton	\$6,319,206)
Net BOND	\$4,830,794
CASH	\$2,469,625
OTHER	\$3,330,000
Total	\$10,630,419

- FinCom will have opportunity to review detailed written vote and any modifications later in process.

FY 2017	Expenditures
By Funding Source	
Cash	\$2,469,625
Bond	\$11,150,000
Other	\$3,330,000
Total	\$16,949,625
Calculation of Net Appropriation of Article	
FY 2017	Capital and Debt Service
Prior Years Non-exempt Debt Service	
Principal	5,462,275
Interest	1,403,657
Total Prior Non-exempt Debt Service	\$6,865,932
Plus Enterprise Fund Debt Svc. Appropriation	686,442
Plus MWRA Loan Payments	683,893
Net Prior Non-Exempt Debt Service	\$8,236,266
New Non-exempt Debt Service	\$266,516
Less Antenna Funds	(\$241,726)
Less Ed Burns Rink	(\$92,483)
Less Ambulance Revolving Fund	(\$50,250)
Less Capital Carry Forward	(\$486,460)
Less Urban Renewal	(\$57,265)
Current Year Cash Outlay	\$2,469,625
Total Non-exempt Appropriation	\$10,044,223
Exempt Principal	2,119,725
Total Exempt Interest	398,920
Total Exempt Debt Service	\$2,518,645
Less Enterprise Fund Debt Svc Approp.	(\$686,442)
Less MWRA Loan Payments	(\$683,893)
Total Tax Rate Appropriation	\$11,192,533

Attachments

- FY 2017 Capital Budget
- FY 2017 - FY 2021 Capital Plan
- Forecast of New Debt Service

Actions Requested of FinCom

- Vote favorable action on our recommended budget
- Support five year plan
- Transfer \$10,000 from Perpetual Care to Capital Budget
- Support the Treasurer's Debt Revision Article

Summary

- We respectfully ask your support of the Capital Planning Committee budget request.

Thank you
The Capital Planning Committee